

## **IJC Legislative Action Proposal: Statewide Infrastructure Broadband Solution**

1. Description: In order to meet New Mexico's ten year economic base job creation needs, the state will need ubiquitous internet access to homes and businesses of 1 gigabit per second download speeds. This proposal contemplates legislative appropriations scaled to a 5 year rollout of infrastructure statewide.

The goal of this proposal is to provide a minimum of 25mbps download and 3mbps upload residential and 100mbps download and 6mbps upload business broadband speed statewide 5 years from the start of construction with maximum coverage reaching a gigabit per second as demanded.

### **Appropriations:**

- Planning (Year 1)
  - o \$950,000 for a 7-12 month, statewide and regional engineering and technology plan with place based priority construction to be subcontracted by DoIT.
- Construction (Years 2-6)
  - o Total construction cost of \$200 million over 5 years.
    - \$20M per year in state appropriation to be administered by DoIT as project funding. The project will be used to fund broadband providers based on the amount of resources they are willing to contribute and their capacity to fit into the time frame. The state appropriation will be used to leverage the remainder from federal and private sources.

Note: The amount of \$20M per year could be reduced based on the level of contribution that could come from other sources such as the providers, PRC Rural, or other existing state resources.
- Ongoing Budget (State agency request)
  - o \$150,000 for staffs and office operations
  - o \$500,000 per year to fund DoIT mapping and planning of the regional needs in the state.

Note: Ongoing budget funding does not require a legislative appropriation by this council but it will need support requested from the council when the budget request is submitted.

## **Policy Change/Regulation:**

- Legislation to facilitate joint projects with private sector providers.
- Deregulation of the use of LEDA funds for the purpose of Broadband.

2. Funding and Implementation: DoIT would develop an administrative framework to evaluate proposals based on the engineering plan. They would then subcontract to technical experts, or provide competitive matching grants to providers for building infrastructure.

3. Economic Sectors and Theaters Involved: Broadband deficiencies effect the economy of the state at a fundamental level. Those indicated as directly reliant on broadband are: Back Office, Exported Services, Solowork, Retirement, Visitor driven, Integrated IT and Cyber, Emerging Tech, Health and Social services, Digital Media, Manufacturing, and Education.

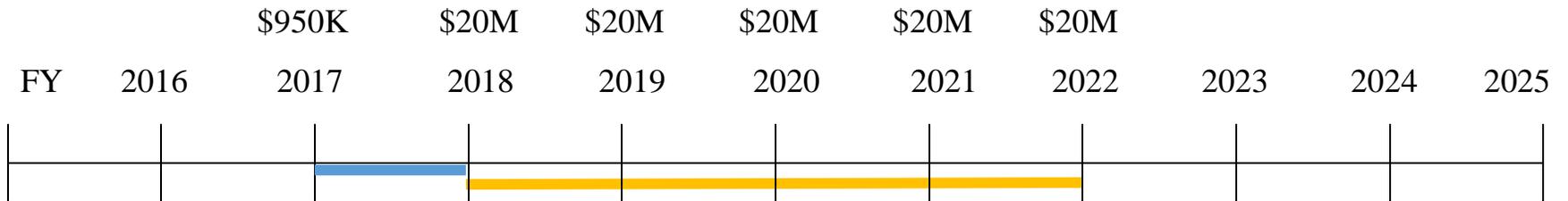
4. Transactions at Risk: Est. 40,000-50,000 Jobs

5. Rationale/Narrative: Broadband is a critical factor of production gap and has become equivalent with fundamental utilities that are expected to be present not only for commerce but for basic residency in the state. If not dealt with, the state cannot expect anywhere near the rates of job creation estimated possible in each region's assessment.

6. Steps to completion:

1. Fund and execute the state broadband technical plan.
2. Prioritize allocation of funding and activity to areas where the need is greatest (the most jobs would be lost).
3. Resolve regulatory and policy barriers
4. Fund construction by selecting providers that meet the requirements set down by the DoIT proposal.

Timeline:



Engineering Plan

Construction